

AMENDMENT 1 TO
MEMORANDUM OF AGREEMENT
NAT-I-2415
BETWEEN THE
FEDERAL AVIATION ADMINISTRATION
DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA
AND THE
CIVIL AVIATION BUREAU
MINISTRY OF CONSTRUCTION AND TRANSPORTATION
REPUBLIC OF KOREA

ARTICLE I—GENERAL

Pursuant to the terms of Article VIII of Memorandum of Agreement NAT-I-2415 (the “Agreement”), the Federal Aviation Administration (“FAA”) of the Department of Transportation of the United States of America and the Civil Aviation Bureau, Ministry of Construction and Transportation of the Republic of Korea (collectively, “the Parties”) agree to amend the Agreement as follows.

ARTICLE II—AMENDMENTS

A. Recognizing that the Ministry of Land, Transport and Maritime Affairs is the successor organization to the Ministry of Construction and Transportation, the Parties agree to replace all references to the “Ministry of Construction and Transportation” with references to the “Ministry of Land, Transport and Maritime Affairs” throughout the text of the Agreement.

B. Recognizing that the Korea Office of Civil Aviation (“KOCA”) is the successor organization to the Korean Civil Aviation Bureau (“KCAB”), the Parties agree to replace all references to the “Korea Civil Aviation Bureau”, “Civil Aviation Bureau”, and “KCAB” with references to the “Korea Office of Civil Aviation” or “KOCA”, as appropriate, throughout the text of the Agreement.

C. The Parties agree to replace Article VI, Financial Provisions, with the following:

ARTICLE VI—FINANCIAL PROVISIONS

Each annex or appendix shall describe the specific financial arrangements for the technical assistance to be provided. However, all financial arrangements shall be subject to the following:

A. Prior to the performance of any services by the FAA, the KOCA shall pay to the FAA the estimated cost of providing the services and an administrative overhead charge in accordance with the provisions set forth in this Agreement and its annexes and appendices.

1. In the event that the FAA does not receive the payment within the time specified in the applicable annex or appendix, the FAA shall automatically terminate the technical assistance project and forward a bill for the actual costs incurred, including an administrative overhead charge, in preparing to provide the technical assistance. The KOCA shall pay any such statement of account.

2. The FAA may, in its sole discretion and on a case-by-case basis, waive the required prepayment. In such cases, the FAA shall submit a statement of account to the KOCA for all costs incurred by the FAA, including an administrative overhead charge, in providing the services.

B. The FAA may, in its sole discretion and on a case-by-case basis:

1. Waive reimbursement by the KOCA of all or a portion of the cost of providing services, including the administrative overhead charge, under the annexes and appendices to this Agreement. The details of any such waiver shall be set forth in the appropriate annex or appendix.

2. Accept reimbursement from a third party (or another agency of the U.S. Government) in lieu of payment by the KOCA of all or a portion of the cost, including the administrative overhead charge, of providing services under the annexes and appendices to this Agreement. The details of any such payments shall be set forth in the appropriate annex or appendix.

C. The FAA has assigned agreement number NAT-I-2415 to identify this Agreement. This number and the billing number assigned to each annex or appendix, if applicable, shall be referenced in all correspondence and bills related to this Agreement.

D. Upon completion of the services, the FAA shall submit a statement of account to the KOCA detailing the actual cost of providing the services, including an administrative overhead charge. Each statement of account will be delivered to the address specified in the applicable annex or appendix.

1. If the statement of account shows that the actual cost of providing the services is greater than the estimated cost paid by the KOCA, the KOCA shall pay the balance due to the FAA.

2. If the statement of account shows that the actual cost of providing the services is less than the estimated cost paid by the KOCA, the FAA shall either refund the difference to the KOCA, apply the difference to any unpaid balances owed by the KOCA under the Agreement, or hold the balance as a deposit against any future work under this Agreement, as agreed to by the Parties.

E. Payment of a balance due must be received by the FAA within sixty (60) days after the date the FAA issues a statement of account. In the event that payment is not received by the FAA within such time, the FAA shall assess late payment charges – i.e., interest, penalties, and administrative handling charges – in accordance with U.S. Treasury Department regulations. The

FAA shall assess additional late payment charges for each additional thirty (30) day period, or portion thereof, during which payment is not received. The KOCA shall pay any such late charges.

F. All payments shall be made in U.S. dollars and may be made either by check or electronic funds transfer. Checks shall be drawn on a U.S. bank and forwarded to the FAA at the address specified in the applicable annex or appendix. Electronic funds transfers shall be made in accordance with the instructions set forth in the applicable annex or appendix. All payments shall include a reference to the assigned agreement number and billing number.

G. The FAA reserves the right to suspend all work under this Agreement if there is an outstanding balance for work performed or services rendered under any of its annexes or appendices.

H. In the event of a termination by either Party under Article X of this Agreement, the KOCA shall pay:

1. All costs incurred by the FAA in providing, or in preparing to provide, the technical assistance prior to the date of such termination, including an administrative overhead charge; and
2. All termination costs incurred by the FAA during the 120-day close-out period.

ARTICLE III—ENTRY INTO FORCE

This Amendment shall enter into force on the date of the last signature.

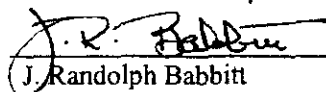
ARTICLE IV—AUTHORITY

The FAA and the KOCA agree to the provisions of this Amendment as indicated by the signatures of their duly authorized representatives.

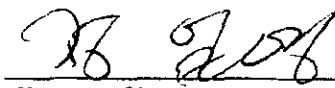
FEDERAL AVIATION ADMINISTRATION
DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA

KOREA OFFICE OF CIVIL AVIATION
MINISTRY OF LAND, TRANSPORT AND
MARITIME AFFAIRS
REPUBLIC OF KOREA

BY:


J. Randolph Babbitt

BY:


Il-young Chung

TITLE: Administrator

TITLE: Deputy Minister for Civil Aviation

DATE: May 14, 2010

DATE: 14 May 2010

PLACE: Seoul

PLACE: Seoul, KOREA